

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: HB 821 HLS 10RS 1618

Bill Text Version: ENROLLED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 10, 2010	5:05 PM	Author: KLECKLEY
Dept./Agy.: Office of Group Benefits (OGB)		
Subject: Voluntary wellness or health improvement programs		Analyst: Travis McIlwain

INSURANCE/HEALTH-ACCID EN NO IMPACT See Note Page 1 of 1
Provides for voluntary wellness or health improvement programs to be offered by health insurance issuers

Proposed legislation provides that a health insurance issuer may offer a voluntary wellness or health improvement program that allows for rewards or incentives including but not limited to merchandise, gift cards, debit cards, premium discounts or rebates, contributions toward a member’s health savings account, modifications to copayment, deductible, or coinsurance amounts or any contribution of these incentives to encourage participation or to reward for participation in the program.

Effective upon governor's signature.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The expenditures of the Office of Group Benefits (OGB) will not increase as a result of this measure. This bill authorizes health insurers, including OGB, the ability to offer a voluntary wellness or health improvement program.

The health actuary for the Department of Insurance (DOI) estimates that there will be no costs to the private insurance industry as a result of this measure. This bill does not mandate a wellness program and allows that the health insurance issuer may offer such a program. Typically, health incentive program costs are offset by the potential decrease in claims payments. To the extent a health insurer does provide a wellness program, the level of awards set by the insurer would likely be cost neutral at worst.

REVENUE EXPLANATION

The revenues of the Office of Group Benefits (OGB) will not increase as a result of this measure.

Senate

Dual Referral Rules

☐ 13.5.1 >= \$100,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

☐ 6.8(F) >= \$100,000 Annual SGF Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Robert E. Hosse

LFO Staff Director